

### **USDA Foreign Agricultural Service**

# **GAIN Report**

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

Date: 10/17/2006

**GAIN Report Number:** PL6067

## **Poland**

# **Strawberries**

# Anti-dumping protective measures against Chinese frozen strawberries

## 2006

### Approved by:

Ed Porter U S Embassy

### Prepared by:

JF

#### Report Highlights:

Polish officials are pleased that the EU, on October 18, 2006, will implement temporary antidumping protective measures against imports of Chinese frozen strawberries.

> Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Warsaw [PL1] [PL]

Polish officials are pleased that the EU, on October 18, 2006, will implement temporary anti-dumping protective measures against imports of Chinese frozen strawberries. The protective measures are being introduced in response to a request from the Polish government made in early 2005. In their complaint, Polish officials claimed that Chinese frozen strawberry exports to Poland and other EU countries were unfairly undermining the Polish strawberry sector. The temporary anti-dumping protective measures will be in the form of a customs duty of 34.2 percent, in addition to the regular tariff of 14.4 percent. The Commission has 15 months to complete its investigation started January 2006, and implement permanent protective measures, if warranted.

In 2004, the export price for Polish frozen strawberries was about 1,800 EUR/MT (USD 2,230) and dropped to about 720 EUR/MT (USD 890) in 2005. In contrast, the price of competing Chinese frozen strawberries exported to the EU in 2004 was about 610 EUR/MT (USD 750) and fell to about 460 EUR/MT (USD 570) in 2005.

For over 100,000 Polish farms strawberry cultivation is a basic source of income, especially for those in low-income areas. Average annual exports of fresh and processed strawberries from Poland are valued at EUR 100 million (USD 124 million) and constitute about 16 percent of all Polish fresh and processed fruit exports annually.

Polish government officials and industry representatives hope that the Commission will decide to extend the temporary duties for up to the 5-year maximum permitted under EU regulations. Many sector experts are of the opinion that five years of protection could give enough time to the Polish strawberry sector to create strong producer organizations and to establish contract production (currently, very rare), which they believe would help stabilize production levels and prices in Poland.

Experts also noted that should EU anti-dumping duties stay in place, Chinese exporters will seek out other markets, which could affect other world suppliers, such as the United States.